

GREEN & SOCIAL BONDS

MVB seminar

9 November 2018

NWB) BANK

HISTORY

First talks about establishment Bank for Water Authorities

1939

Decision in principle for establishment Bank for Dutch Water Authorities

19 December 1952

Establishment Nederlandse Waterschapsbank N.V.

5 May 1954

1 February 1953



AAA rating

1996

2017

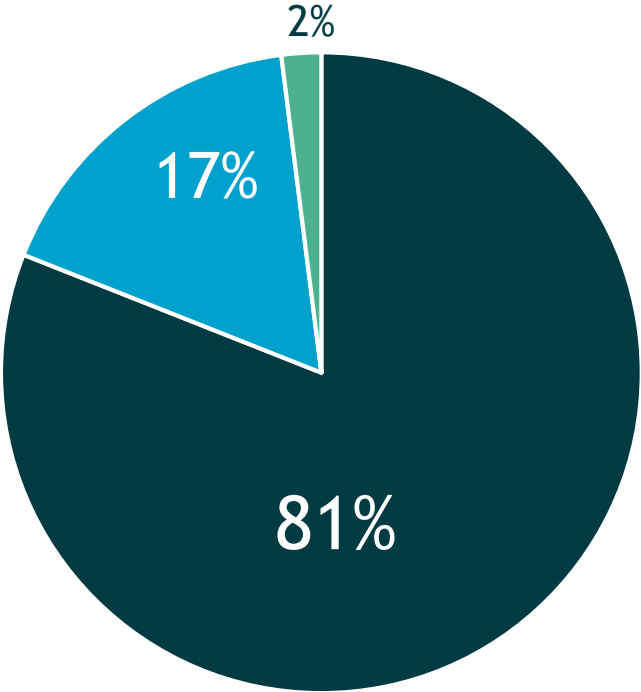
1984



2014

NWB Bank under direct supervision ECB

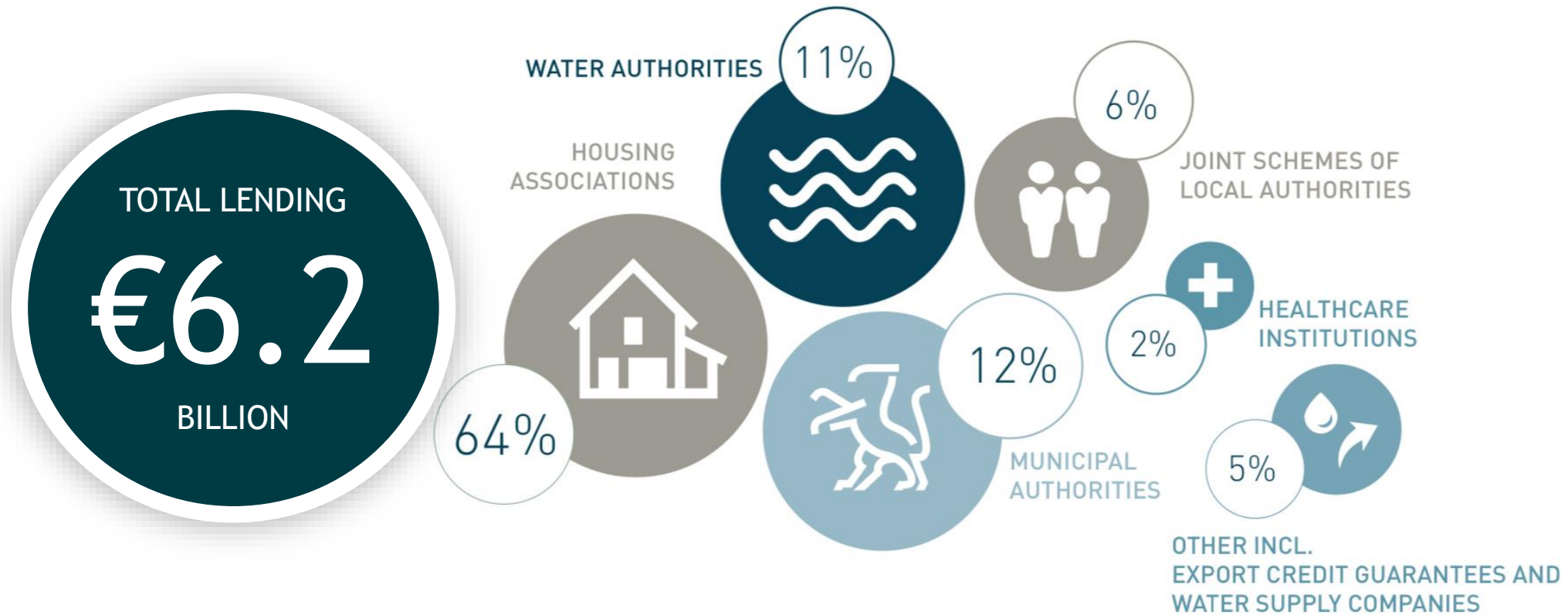
OWNERSHIP STRUCTURE



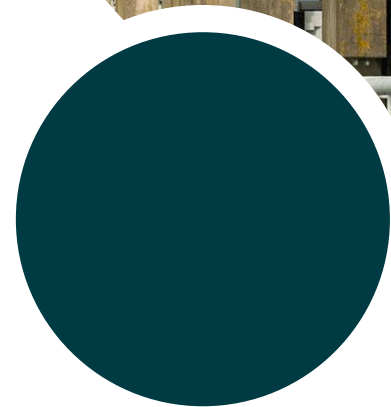
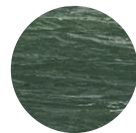
- Water Authorities
- Dutch State
- Provinces



BREAKDOWN OF LENDING VOLUME 2017



GREEN BONDS (i.e. Waterbonds)

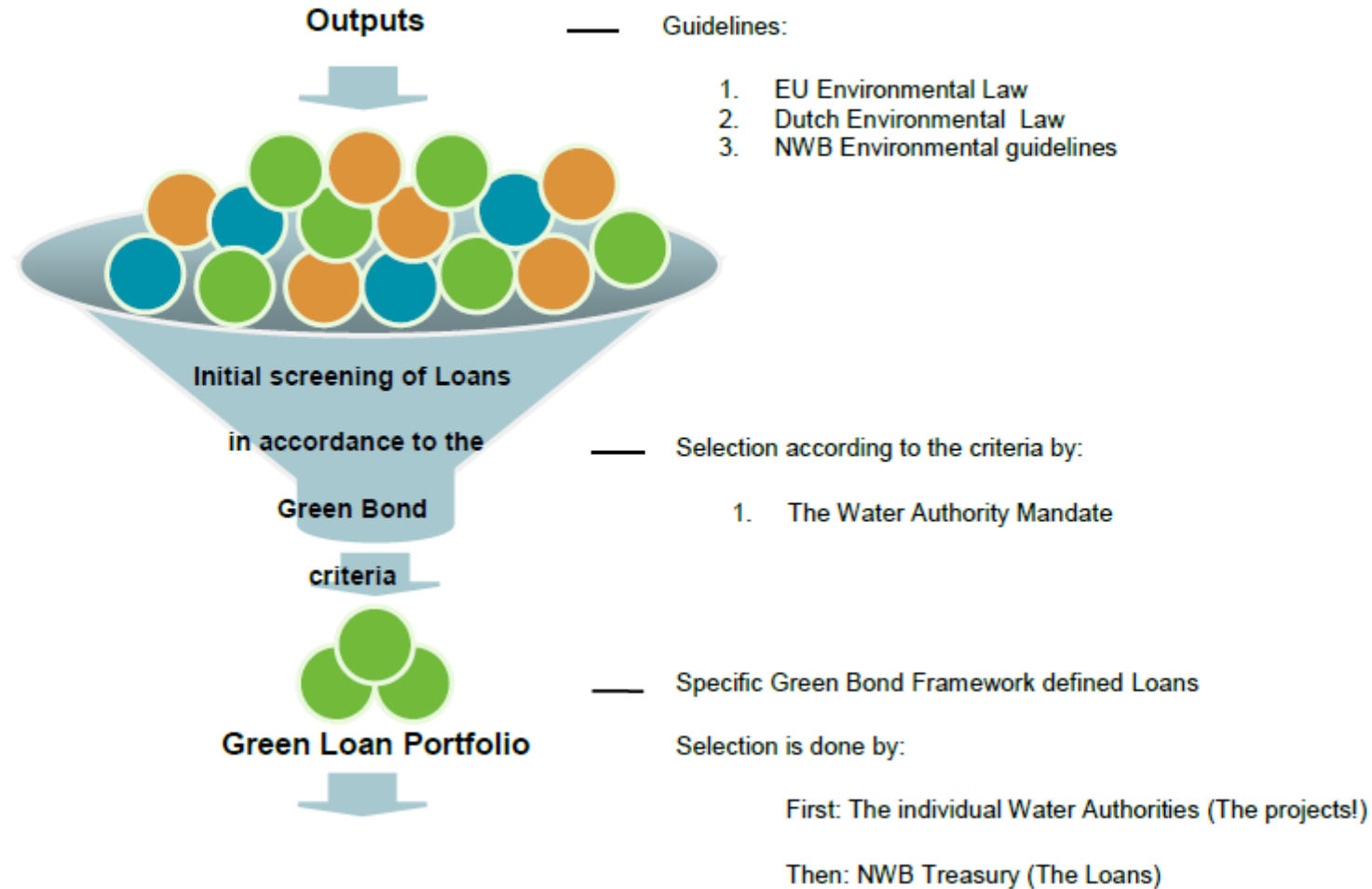




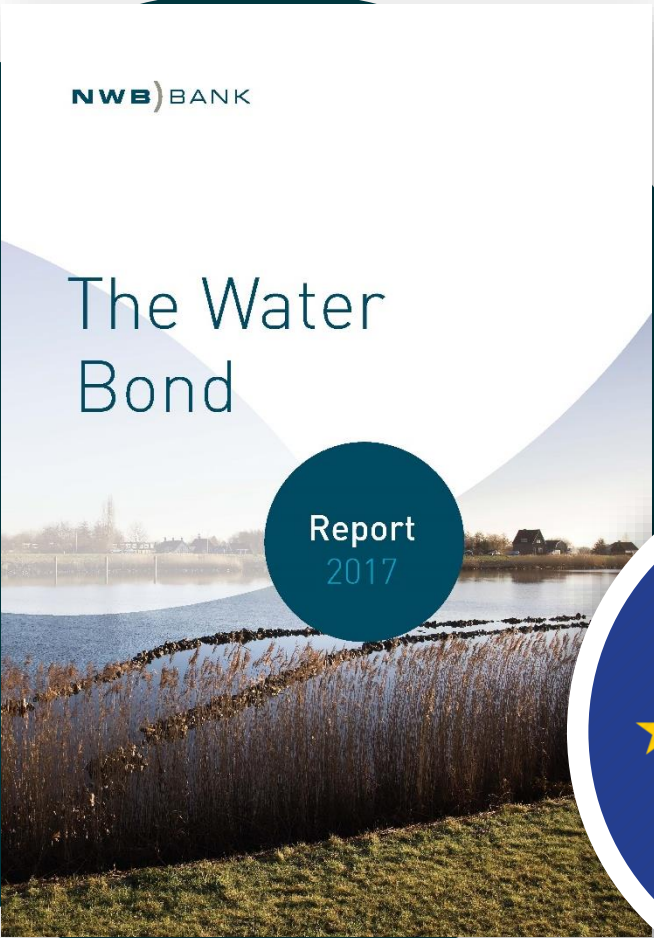
- **‘WATER BONDS’**
Use of proceeds is lending to the water authorities
Green Bond Principles are leading
2nd Opinion by Cicero
- **WATER AUTHORITIES ACTIVITIES**
Mitigation of climate change (waterway management)
Adaptation to climate change (a.o. flood protection)
Biodiversity projects (water related)
- **RATINGS**

Agency	Sustainalytics	MSCI	Imug	ISS-Oekom
NWB Bank Rating	71	A	Positive B	B-
Rating Scale	1 - 100	CCC - AAA	DDD - AAA	D - A+

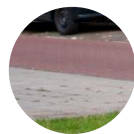
Green Bond Loan Selection Process Flowchart



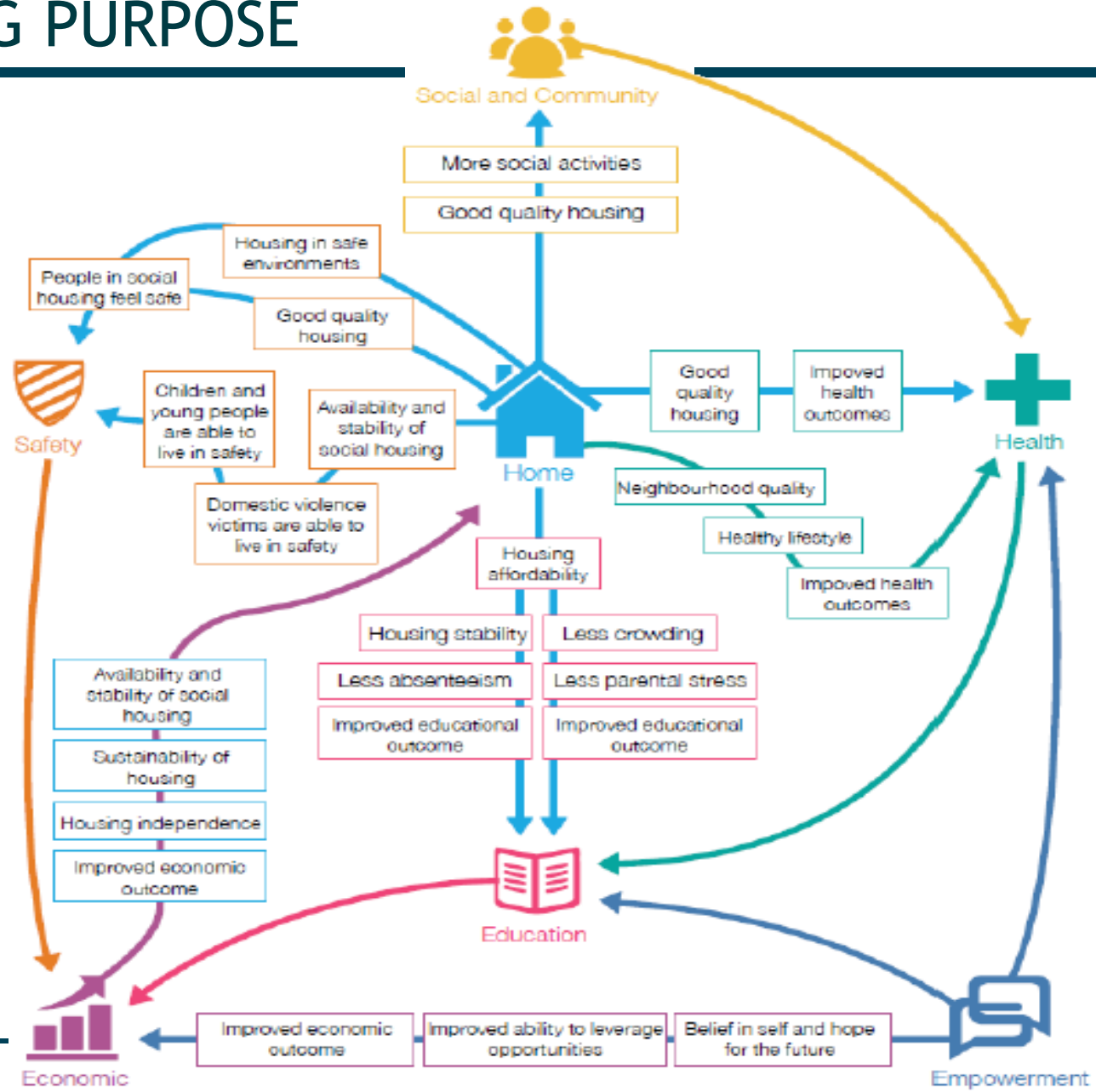
Total issued:



SOCIAL BONDS (i.e. AFFORDABLE HOUSING BOND)



SOCIAL HOUSING PURPOSE



AFFORDABLE HOUSING BOND (SOCIAL BOND)

'Most Impressive Social Bond Issuer'



'Social Bond of the Year'



- SSA's frontrunners in international capital markets
- Confirms inherently green and social character of NWB Bank
- Helps Water Authorities and Social Housing corporations in addressing their issues both nationally as well as internationally
- Green/Social bond framework
- Broadening of investor base NOT of lending base
- Labor intensive: investor reporting, reverse roadshows, CSR rating agencies
- Creates awareness internally as well as externally (Green Bond Dutch government)
- Dark green, light green....
- All in all, are green bonds cheaper or more expensive for issuers/investors?
- Next steps: impact reporting

**THANK YOU FOR
YOUR ATTENTION**

